GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7763
ANSWERED ON:17.05.2002
NEW ACCOUNTING NORMS FOR STOCK EXCHANGES
KAMBALAPADU E. KRISHNAMURTHY

Will the Minister of FINANCE be pleased to state:

(a) whether the SEBI has requested Institute of CharteredAccountants of India (ICAI) to formulate special newaccounting norms for stock exchanges, mutual funds, private funds and other financial institutes;

(b) if so, the details thereof; and

(c) the time by which the new accounting norms are likely to be introduced?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) to (c): The Securities and Exchange Board ofIndia (SEBI) has intimated that SEBI hasbeen interacting with the Institute of Chartered Accountants of India (ICAI) on acontinuous basis for initiating the standard setting process in the areas where ICAI has not issued accounting standards. SEBI has set upa Accounting Standards Committee which examines variousissues relating to accounting standards and financial reporting and gives recommendations to SEBI.ICAI is also represented in the Committee and the Committee has been providing inputs to ICAI for evolving newstandards and upgrading the existing ones wherever required. However, SEBI has not made any formalrequest to ICAI to formulate special new accounting normsfor stock exchanges, mutual funds, private funds and other financial institutes.